



April 3, 2009

Schrader: Taxpayers are paying for state's Hollywood moment

So ... you want to be a star. Your friends calling you "Hollywood." People stopping you for your autograph.

Well, Michigan maybe the place to be!

A year ago with the strong support from Gov. Jennifer Granholm, Michigan's House and Senate put in place a film incentive package that would enable Hollywood fat cats to have their cake and eat it, too.

All of course at taxpayers' expense.

Is this kiss-up to Hollywood really about stimulating Michigan's economy and job market as they claim or are your elected officials in Lansing just star-struck?

Get this! Under this incentive package Hollywood types such as Clint Eastwood, in return for producing movies in Michigan, can make big bucks as roughly 40% to 42% of their costs for producing movies here will be paid by you.

Maybe you will get a free ticket!

It's typical government thinking as Michigan's economy and job markets continue their decade-long slide into a depression as business after business continues to close under the weight of Michigan's terrible economy and onerous tax structure.

Lansing was almost unanimous, with only state Sen. Nancy Cassis, R-Novi, chairwoman of the Senate Finance Committee, voting against the bill that is providing an uncapped package of tens of millions of dollars right from the taxpayers to film producers.

It is projected as Michigan faces billions in new deficits in the coming year, by 2012 the taxpayers of Michigan will be paying the Hollywood film producers \$200 million a year from their checkbooks.

Incredibly, the thinking is comparable to a family facing bankruptcy taking money from their kids' piggy banks to feed the affluent kids down the street.

Sen. Cassis' position is clear. "During a time of financial crisis for Michigan taxpayers, why are we using Michigan taxpayers' money to subsidize outsiders from Hollywood to the tune of 40% to 42% while our major companies like General Motors are struggling, partly under the tax burdens placed on them in Michigan."

If this is such a grand idea why not give the same 40% taxpayer kickback to local companies such as the almost bankrupted Big Three or any company locating in Michigan as they are now doing for Hollywood fat cats?

At least they would be lasting jobs and not the largely temporary employment of the film industry, an average of just 23 days.

Sen. Cassis also is very public of her support of Sen. Jud Gilbert's Senate Bill 0404 that would put a \$50 million cap on the taxpayer payouts to the film industry.

As Gilbert, R-Algonac, states, "The emphasis needs to be placed on creating jobs that stay in Michigan and employ Michigan workers. It would be unwise for the state to continue opening its checkbook without limits for the film industry."

Gilbert goes on to say, "This will never pay off for the taxpayers. This taxpayer subsidy will continue to grow. If we had the facts we have today this would never have been implemented."

States that previously have implemented these subsidies, such as Wisconsin, are now pulling back their support.

It's just incredible how your politicians will spend your tax dollars in ways that they never would consider spending their own money.

With Granholm charmed into subsidizing Hollywood fat cats with your money, your support of Sens. Gilbert and Cassis's attempt to put an end to it is crucial!